



HOUSE BILL No. 6078

October 4, 2000, Introduced by Rep. Woodward and referred to the Committee on Local Government and Urban Policy.

A bill to amend 1947 PA 179, entitled

"An act to provide for the incorporation of certain municipal authorities for the collection or disposal, or both, of garbage or rubbish, or both, and for the operation of a dog pound; and to prescribe the powers, rights and duties thereof,"

(MCL 123.301 to 123.310) by adding section 7a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 7A. (1) IF 2 OR MORE MEMBERS OF AN AUTHORITY THAT HAS
2 10 OR MORE MEMBERS, SERVES MORE THAN 250,000 PEOPLE, AND HAS NO
3 OUTSTANDING REVENUE BONDS DETERMINE BY A VOTE OF THEIR LEGISLA-
4 TIVE BODIES THAT THE AUTHORITY IS NO LONGER EFFECTIVELY SERVING
5 THE PUBLIC INTEREST FOR WHICH IT WAS CREATED, THEY MAY DIRECT
6 THAT THE AUTHORITY BE DISSOLVED.

7 (2) WITHIN 6 MONTHS OF THE DIRECTION TO DISSOLVE UNDER SUB-
8 SECTION (1), THE AUTHORITY SHALL CEASE OPERATING. WITHIN 6
9 MONTHS OF THE DATE THAT THE AUTHORITY CEASES OPERATING, IT SHALL

1 SETTLE ALL OF ITS ACCOUNTS AND SELL ALL OF ITS PROPERTY. A
2 MEMBER OF THE AUTHORITY MAY PURCHASE ALL OR ANY PART OF THE
3 AUTHORITY PROPERTY THAT IS LOCATED WITHIN THE MEMBER'S JURISDIC-
4 TIONAL BOUNDARIES AT THE PROPERTY'S FAIR MARKET VALUE OR AT THE
5 HIGHEST PRICE OFFERED FOR THE PROPERTY IN AN ARM'S LENGTH, BONA
6 FIDE OFFER, WHICHEVER IS LESS. THE FAIR MARKET VALUE SHALL BE
7 DETERMINED BY A LICENSED APPRAISER WHO IS ACCEPTABLE TO THE
8 AUTHORITY AND THE MEMBER.

9 (3) IMMEDIATELY AFTER THE SALE OF ITS PROPERTY AND THE SET-
10 TLEMENT OF ITS ACCOUNTS PURSUANT TO SUBSECTION (2), THE AUTHORITY
11 SHALL DISTRIBUTE ITS REMAINING ASSETS TO ITS MEMBERS ON A PRO
12 RATA BASIS BASED ON THE AMOUNT OF EACH MEMBER'S MUNICIPAL SOLID
13 WASTE, INCLUDING RECYCLABLES, THAT WAS HANDLED BY THE AUTHORITY,
14 OR A PRIVATE CONTRACTOR UNDER SECTION 6, DURING THE LAST FULL
15 CALENDAR YEAR PRIOR TO THE DIRECTION TO DISSOLVE PURSUANT TO SUB-
16 SECTION (1).

17 (4) CLAIMS OF SECURED CREDITORS ARE NOT IMPAIRED BY REASON
18 OF THE PROVISIONS OF THIS SECTION.

19 (5) UPON DISTRIBUTION OF ITS ASSETS, THE CORPORATE EXISTENCE
20 OF THE AUTHORITY TERMINATES, ALL LIABILITIES OF ITS MEMBERS TER-
21 MINATE, AND THE AUTHORITY IS DISSOLVED.

22 (6) THIS SECTION DOES NOT PRECLUDE THE INCORPORATION OF A
23 NEW AUTHORITY BY PRIOR MEMBERS OF A DISSOLVED AUTHORITY.

24 (7) AS USED IN THIS SECTION, "MEMBER" MEANS A MUNICIPALITY
25 THAT INCORPORATED THE AUTHORITY UNDER SECTION 1 OR BECAME A PART
26 OF THE AUTHORITY UNDER SECTION 7, UNLESS ITS PARTICIPATION IN THE
27 AUTHORITY HAS BEEN TERMINATED BY AN ACTION OF THIS STATE.